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*Attorneys for Irving H. Picard, Trustee for the  
Substantively Consolidated SIPA Liquidation of  
Bernard L. Madoff Investment Securities LLC and  
the Estate of Bernard L. Madoff*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION  
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT  
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation  
of Bernard L. Madoff Investment Securities LLC,

Plaintiff,

v.

SAGE ASSOCIATES;

LILLIAN M. SAGE, IN HER CAPACITY AS  
PARTNER OR JOINT VENTURER OF SAGE  
ASSOCIATES AND INDIVIDUALLY AS

Adv. Pro. No. 10-04362 (SMB)

BENEFICIARY OF SAGE ASSOCIATES;

MALCOLM H. SAGE, IN HIS CAPACITY AS  
PARTNER OR JOINT VENTURER OF SAGE  
ASSOCIATES AND INDIVIDUALLY AS  
BENEFICIARY OF SAGE ASSOCIATES;

MARTIN A. SAGE, IN HIS CAPACITY AS  
PARTNER OR JOINT VENTURER OF SAGE  
ASSOCIATES AND INDIVIDUALLY AS  
BENEFICIARY OF SAGE ASSOCIATES; AND

ANN M. SAGE PASSER, IN HER CAPACITY  
AS PARTNER OR JOINT VENTURER OF SAGE  
ASSOCIATES AND INDIVIDUALLY AS  
BENEFICIARY OF SAGE ASSOCIATES,

Defendants.

**STIPULATION AND ORDER FOR SUBSTITUTION OF DEFENDANT**

**WHEREAS**, on November 30, 2010, Irving H. Picard (the “Trustee”), as trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa *et. seq.*, and the substantively consolidated estate of Bernard L. Madoff individually, filed the above-captioned avoidance action against Sage Associates; Lillian M. Sage, in her capacity as partner or joint venturer of Sage Associates and individually as beneficiary of Sage Associates; Malcolm H. Sage, in his capacity as partner or joint venturer of Sage Associates and individually as beneficiary of Sage Associates; Martin A. Sage, in his capacity as partner or joint venturer of Sage Associates and individually as beneficiary of Sage Associates; and Anne M. Sage Passer, in her capacity as partner or joint venturer of Sage Associates and individually as beneficiary of Sage Associates (collectively, the “Defendants”);

**WHEREAS**, on January 25, 2012, the Trustee filed an amended complaint against Defendants in the Southern District of New York, Civil Action No. 11-cv-07682 (JSR) (the “Amended Complaint”);

**WHEREAS**, Lillian M. Sage died during the pendency of this action.

**IT IS THEREFORE MUTUALLY AGREED AND STIPULATED**, by and between the Trustee and Malcolm H. Sage in his capacity as personal representative of the estate of Lillian M. Sage (the “Estate”), as follows:

1. Malcolm H. Sage, in his capacity as personal representative of the Estate, is hereby substituted into this action in place of Lillian M. Sage, deceased, and the Amended Complaint shall be deemed so amended (the “Second Amended Complaint”).

2. The Clerk of the Court is hereby directed to amend the caption to remove Lillian M. Sage and substitute Malcolm H. Sage in his capacity as personal representative of the Estate, as reflected on Exhibit A to this Stipulation.

3. Undersigned counsel for Malcolm H. Sage in his capacity as personal representative of the Estate: (i) expressly represents that he has the authority to accept service of the Second Amended Complaint on behalf of Defendants, (ii) waives service of the summons and the Second Amended Complaint on behalf of Defendants, and (iii) hereby waives any defenses based on insufficiency of process or insufficiency of service of process of the summons and Second Amended Complaint on behalf of Defendants.

4. Except as expressly set forth herein, the parties to this Stipulation reserve all rights and defenses they may have.

5. This Stipulation may be signed by the parties in any number of counterparts, each of which when so signed shall be an original, but all of which shall together constitute one and

the same instrument. A signed facsimile, photostatic or electronic copy of this Stipulation shall be deemed an original.

Dated: June 1, 2016

**BAKER & HOSTETLER LLP**

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H. Sage, in his capacity as partner or joint venturer*

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SO ORDERED

Dated: June 1<sup>st</sup>, 2016  
New York, New York

/s/ STUART M. BERNSTEIN  
HON. STUART M. BERNSTEIN  
UNITED STATES BANKRUPTCY JUDGE